

VZCZCXRO8020
OO RUEHCN RUEHGH RUEHVC
DE RUEHBJ #4799/01 2010934
ZNY CCCCC ZZH
O 200934Z JUL 07
FM AMEMBASSY BEIJING
TO RUEHC/SECSTATE WASHDC IMMEDIATE 0038
INFO RUEHOO/CHINA POSTS COLLECTIVE
RHEHNSC/NSC WASHDC

C O N F I D E N T I A L SECTION 01 OF 04 BEIJING 004799

SIPDIS

SIPDIS

E.O. 12958: DECL: 07/20/2032

TAGS: [PHUM](#) [PGOV](#) [PREL](#) [CH](#)

SUBJECT: CLOSURE OF NGO "CHINA DEVELOPMENT BRIEF" CAUSE FOR
CONCERN, BUT NOT ALARM, AMONG LOCAL NGOS

Classified By: Political Minister Counselor Aubrey Carlson.
Reasons 1.4 (b) and (d).

Summary

¶1. (C) The recent decision by Beijing City authorities to shut down the China Development Brief (CDB) newsletter has caused concern, but not alarm, among local NGOs and foreign foundation representatives. Embassy contacts were unsure precisely why the organization, which served as an information clearinghouse for Chinese civil society groups, was targeted for closure, but many thought the move represented ongoing post-Color Revolution suspicion of NGOs, especially those with foreign ties. Although contacts believed this action, for now, was limited to CDB, they noted it was consistent with the general tightening of the past three years, during which some NGOs and foreign donors have faced heightened suspicion and restrictions, especially those working in certain "sensitive" areas. Nevertheless, most contacts said their work has expanded dramatically in other areas, pointing to greater opportunities with a growing number of Chinese civil society actors on issues such as charitable works, HIV/AIDS, environmental protection and poverty alleviation. End Summary.

China Development Brief Newsletter Shut Down...

¶2. (C) Western media reported July 12 that Chinese authorities had ordered the closure of the China Development Brief (CDB) newsletter, a widely read non-profit publication that had served as an information clearinghouse for NGOs and the international donor community since 1996. According to a letter posted online by the publication's founder Nick Young (UK citizen), Beijing security authorities visited CDB offices July 4 to conduct an investigation, after which they ordered its Chinese edition shut down for having conducted "unauthorized surveys" in violation of the 1983 Statistics Law. Alerted to the investigation of CDB on July 5, Poloff contacted Nick Young July 6. Young told us that, even though CDB was "facing trouble," he wanted no involvement by the Embassy or U.S. Government, preferring to "manage the issue" on his own so as to reduce risk to his Chinese employees. In subsequent press interviews after the closure became public, Young has appealed to China's leadership to allow CDB to continue to operate. The CDB, Young asserts, strikes a cooperative tone, and thus he is perplexed why authorities would target his publication.

... But Website Still Functioning

¶3. (C) CDB's current status is unclear. Despite the Chinese government's cease-and-desist order, the CBD website (www.chinadevelopmentbrief.org.cn) was still functioning as

of July 19, even on computers connected to the Internet via government filters. According to Liu Yawei (strictly protect) of the Carter Center, the government's order appears to have applied only to CDB's newsletter, which was available via subscription. Given that the website is still up, Liu thought some sort of compromise might have been reached to allow the organization to continue at least some of its activities. Separately, Tara Duffy (strictly protect), Program Representative at The Asia Foundation, said she had heard that it was actually CDB's English-language publication that was having more difficulties with the Chinese Government because it had no official standing, whereas the Chinese language side of CDB was reportedly on more solid ground. In accordance with Nick Young's wishes, Post has not contacted CDB's offices to inquire about the situation.

Fear of "Color Revolution"

¶4. (C) A wide range of post contacts agreed that the closure of CDB was representative of lingering Chinese suspicion of NGOs, especially those with foreign ties, in the wake of the 2004 "Color Revolutions." According to local elections activist Li Fan (strictly protect), head of The World and China Institute, the Chinese Government blamed the Color Revolutions on "foreign involvement" and an "independent civil society." Since then, he claimed, the government, or at least certain elements within it, has wanted to roll back the activities of foreign NGOs and prevent the development of Chinese civil society as a challenge to the Communist Party's supremacy. In a separate conversation, Dong Lisheng (strictly protect), reformist scholar at the Chinese Academy of Social Sciences (CASS), said he was unaware of why the government shut down CDB, but noted that authorities have taken actions against like-minded publications, including one

BEIJING 00004799 002 OF 004

called "Minjian" at Sun Yat-sen University in Guangzhou. Dong agreed that PRC authorities are on guard against the "Color Revolution" phenomenon and view the combination of expanded direct elections and NGO activism as particularly volatile. Chinese authorities, he said, have suspended CASS projects involving experiments in direct elections in places like Sichuan. Some of these projects involved foreign NGOs or foundations.

¶5. (C) The Carter Center's Liu Yawei blamed the post-Color Revolution "paranoia" of China's increasingly assertive security services for the atmosphere that has led to groups like CDB being shut down. After 2005, China's security services received a huge increase in funding, expanding their capacity to monitor and harass NGOs and other groups. While Liu thought that the security services often act on their own in hounding civil society groups and activists, they must have received some sort of high-level approval for their actions, most likely via a memo approved by the top leadership (pishi). He pointed to a July 18 Reuters report, which alleged that a recent interruption in international e-mail service in China was due to installation of a new government firewall for monitoring e-mail traffic, as one example of PRC security services "run amok." With so much time, effort and money being spent to track NGOs, Liu cynically noted, he wondered whether anyone in China is watching out for truly dangerous entities such as international terrorist groups.

No Clear Triggering Event

¶6. (C) Local contacts speculate that the crackdown on CDB likely resulted from a specific CBD act that crossed a line with central authorities, although what that might have been remains unclear. According to Amy Gadsden (strictly protect), Resident Country Director for the International Republican Institute (IRI), CDB's participation in a June 26 INR/DRL-sponsored conference on Chinese NGOs in Washington

could have raised Chinese suspicions. Perhaps CDB's recent efforts bringing Chinese environmental NGOs together, which later were publicized in the CDB newsletter, may have also set off alarms. Gadsden observed that the CDB had recently moved away from its traditional role as an "honest information broker" to become a more activist organization involved in programming. While other organizations are active in the environmental area, Gadsden speculated that it was the combination of an active information dissemination program with community organization that made the organization appear more threatening. Li Fan similarly surmised that CDB had perhaps become "too proactive" in promoting NGO development for authorities' liking, having become both a "go between" for international and Chinese NGOs and a conduit for the promotion of NGO networks nationwide. (NOTE: A number of environmental NGOs have noted to Post that networking is a particular challenge and needs to be addressed carefully. Both the World Wildlife Fund and Environmental Defense have successfully fostered multi-city (or in WWF's case rural area) networks, but have taken care to ensure official support.)

NGO Glass is Half Full...

17. (C) Several contacts said CDB's shutdown is not yet cause for alarm, as the move, for now, appears to be limited to CDB and does not presage an orchestrated crackdown on NGOs. Moreover, the work of NGOs and foreign foundations has actually expanded rapidly in various areas. IRI's Gadsden said local activists whom IRI contacted generally do not expect the CDB closure to impact their work. Andrew Watson (strictly protect), Ford Foundation Representative in China, said it is "premature" to read any larger meaning into the newsletter's shutdown, commenting that the atmosphere for NGOs in China remains "mixed," as it has been for the past several years.

8.(C) On the positive side, Watson reported, there has been a recent expansion of opportunities for NGOs and other groups involved in charitable activities. Chinese authorities recently allowed the Clinton, Gates and Davos Foundations, along with more than 17 Chinese philanthropic foundations, to formally register and set up representative offices in Beijing. Separately, Li Fan noted that, despite obstacles, Chinese NGOs overall are experiencing "explosive growth," particularly in what the government views as "safer" areas such as HIV/AIDS, environmental protection and poverty alleviation. Gadsden noted that, unlike the 1990s, where IRI's work had the tacit approval or direct involvement of reformist officials within the government, today IRI is faced with a proliferation of activist, committed local partners

BEIJING 00004799 003 OF 004

looking for the support of foreign NGOs. Although these civil society actors face greater risks in working with foreign partners, their work outside the official system is laying the groundwork for China's future. Li Fan also noted that, ironically, with the government having severed its cooperation with several foreign foundations, central authorities actually have a harder time keeping track of what private entities are doing with their foreign partners.

19. (C) The Asia Foundation's Tara Duffy said that CDB's closure has had no effect on her organization's rapidly expanding operations. In fact, her foundation has tripled its number of employees over the past year and is now engaged in supporting a broad range of Chinese groups, both official and private. Although the level of "sensitivity" surrounding The Asia Foundation's work waxes and wanes depending on the locality involved and the timing of a particular project, in general the group has faced few problems, working on issues ranging from governance, the rule of law and disaster relief, to women's empowerment, international exchange and the environment. Although some of her group's local partners are questioned on occasion by local authorities, Duffy did not

characterize this as harassment. None of The Asia Foundation's programs have been shut down. In fact, Duffy said, given the success of the Asia Foundation's programs to date, she views the China Development Brief's shutdown more as a media freedom issue, rather than an indication of a crackdown on NGO activity.

¶10. (C) (Note: Only a few years ago HIV/AIDS was viewed as a highly sensitive topic, and the scope for NGO and international involvement in environment and poverty alleviation has grown considerably. As the Chinese government has focused on "scientific development" and building a "harmonious society," it has more clearly defined these areas as open to civil society involvement and international assistance. In just the last year, the Natural Resources Defense Council (NRDC), for example, has greatly expanded its environmental law activities, with the direct encouragement of State Environmental Protection Administration (SEPA) Vice Minister Pan Yue. Pan has also pushed through an environmental information law that NRDC and other domestic and international groups hope to use to increase the ability of communities to protect their own environment. Similarly, the 2006 HIV/AIDS report was the first official government policy to encourage increased involvement of both NGOs and international organizations. IRI's Gadsen was in Beijing this past week because of IRI's support for the election and empowerment of the NGO People Living with HIV/AIDS (PLWA) representatives to the organization that runs China's USD 280 million in Global Fund projects. Until last year these positions were appointed by the Chinese government, and now they are elected by national coalitions. Gadsen commented that such possibilities would have been "unimaginable" in the heyday of international NGO collaboration with political reformers and government-sponsored think tanks. End Note.)

...But Still Half Empty

¶11. (C) While the range of areas now viewed as less sensitive and thus more easily open to NGOs has grown considerably in recent years, "activist" NGOs involved in democracy and human rights activities remain subject to increased scrutiny by the Chinese Government, The Ford Foundation's Watson said, with some groups being viewed as "antagonistic" and remaining "under a cloud." For example, according to IRI's Gadsden, the Chinese Government has suspended its cooperation with the Carter Center and John Kamm's Duihua organization, and has ended most of its official cooperation with IRI on governance and elections projects. Such suspicions and concerns most likely will continue to increase in the run up to the 17th Party Congress, Watson asserted.

¶12. (C) Moreover, despite the growth of new opportunities, the work of NGOs and foreign foundations in China focused on political issues has gotten more difficult, Gadsden averred. For some, foreign NGOs have become a Chinese "domestic political football" and a "straw man" for stoking fears about "foreign infiltration." Suspicion of projects involving IRI has increased, as has the investigation and indirect harassment of IRI's local partners. The number of previously safe topics now off-limits to foreign NGOs has increased as well, she noted, to include work on election observation, multi-party politics, freedom of religion and family planning policy. Recently, some of IRI's American employees in Hong Kong faced increased difficulties in getting their PRC visas extended, although in the end they were able to do so. Despite these problems, IRI's work goes on, Gadsden pointed out.

BEIJING 00004799 004 OF 004

¶13. (C) The Carter Center's Liu was more pessimistic, describing a level of scrutiny and harassment that appears to go beyond what other groups on the ground are facing. The Chinese Government has ended its cooperation with the Carter

Center on elections observation. Local partners, from Renmin University to The Beijing Center for Policy Research, have faced increased questioning by security services, who have warned them to be vigilant of "foreign infiltration." At one point two years ago, someone in the security services tried unsuccessfully to pressure a local service provider into shutting down the Carter Center's Chinese website. Although conditions concerning the website have improved as of late, earlier this year, censors had been in frequent contact with the Carter Center, demanding that certain "offensive" comments be removed, prompting the Center to engage in rather robust "self-censorship" of netizens' posted comments. Some of the USG-funded activities of its local partner have been delayed due to roadblocks thrown up by local and central officials. Nevertheless, Liu argued, he has not completely given up hope. The website is still up and operating, receiving more than 10,000 hits per day as well as large numbers of comments from visitors to the site. Planning for President Carter's visit in December 2007 is proceeding, and the President of the Chinese University of Politics and Law has even said he wants to establish a Carter Center on campus. Though many of the government's actions are hurting China's international image, Liu said, he is encouraged by the fact that "there are still many good people here."

Comment: A New Glass

14. (C) The old days of international NGO collaboration being limited solely to cooperation with reform-minded bureaucrats and official government think-tankers may be over, but as IRI's Gadsen recently told Emboffs, "there were no Chinese NGOs back then." The new picture for work with Chinese NGOs includes a plethora of domestic NGO partners and a broad range of social issues, but these NGOs remain small and structurally weak. The old glass was half full or half empty, and so is the new glass, but it is a different and larger glass. We may never know why CDB was closed, but it may be because it was engaged in too many different activities rather than in any specific event. There may have been a triggering event, but the overriding story of both the old and the new ways of collaboration with Chinese NGOs is that the PRC government controls the power of reformers and civil society actors, keeping them small, separated and not too well organized.

RANDT